

**Supplement To
Building Loan Agreement**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 0000-0000
(Exp. 00/00/00)

(Add to Building Loan Agreement When
Borrower Acts As Its Own General Contractor)

Office of Housing

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This Supplement To Building Loan Agreement shall be attached to and incorporated into that certain Building Loan Agreement, form HUD 92441, for HUD Project No. _____.

(21) In consideration of HUD consenting to authorize Borrower to act as its own General Contractor, the parties agree to the following:

(a) All references herein (and in any other documents except the Payment Bond, relating to the construction of the project) to "Contractor" or "General Contractor" shall mean the Borrower identified above. All references to subcontractors shall mean all persons who contract with the Borrower or others in connection with the construction of the project.

(b) All references to "Contract" or "Construction Contract" shall be interpreted to refer to this Building Loan Agreement and the Drawings and Specifications identified above, which Specifications include the General Conditions of the Contract for Construction (AIA Document A201 (1997), and the Supplementary Conditions of the Contract for Construction (HUD Form-92554). The provisions of this Supplement to Building Loan Agreement and the HUD Supplementary Conditions take precedence over any inconsistent provisions in the AIA A201 General Conditions.

(c) The Borrower shall execute all agreements and certifications required by HUD to be executed by the General Contractor.

(d) The work, which is to be done in accordance with the Drawings and Specifications, shall be commenced within 30 days from the date of this Agreement.

(e) The borrower shall, at all times during construction, keep posted in a conspicuous place on the project site a legible copy of the applicable wage determination published by the Secretary of Labor with respect to this project. In addition, the Borrower shall incorporate into each subcontract a copy of the Supplementary Conditions of the Contract for Construction (HUD-92554) and the applicable wage determination. Any such contract (i) shall include the agreement of the subcontractor to pay no less than the wages contained in the applicable wage determination; (ii) shall authorize periodic inspections by the Lender and

HUD of the subcontractor's books, payroll, and accounts with respect to the contract so that it may be determined whether or not prevailing wages are being paid by such contractor, and (iii) shall require that all tiers of subcontractors subscribe to the same provisions with respect to work to be performed on the project.

(f) Upon request the Borrower shall disclose to the Lender and HUD the names of all persons with whom the Borrower contracted or intends to contract or subsequently contracts with respect to work to be performed or materials to be furnished for construction of the project.

(g) The Borrower shall give all required notices and shall comply with all applicable codes, laws, ordinances, rules and regulations, protective covenants, and with the current regulations of the National Board of Fire Underwriters, wherever applicable. The Borrower shall comply with provisions of the "Manual of Accident Prevention in Construction" of the Association of General Contractors of America. The Borrower shall immediately notify the Lender and HUD of the delivery of all permits, licenses, certificates of inspection, certificates of occupancy, and any other certificates and/or instruments required by law, regardless of to whom issued, and shall display same to the Lender or HUD upon request.

(h) HUD and the Lender may inspect work done, materials, equipment and fixtures furnished, installed or stored in and around the project. The Borrower shall furnish an enclosed working space acceptable to the Lender and/or HUD as to location, size, accommodations and furnishings.

(i) HUD shall have the right to interpret the Contract Documents and determine compliance therewith.

(j) The Borrower shall correct any defects due to faulty materials or workmanship which appear within a period of one year from the date of Final Completion. For the purpose of this subparagraph (j), the date of Final Completion shall be the date of the final HUD Representative's Trip Report, provided that the trip report is subsequently endorsed as required by HUD. Final Completion includes all construction requirements, including but not limited to completion of all punch list items, submission of the executed HUD Form 92485, Permission to Occupy-Property Mortgages, As-Built Survey and Surveyor's Report, As-Built Plans and Specifications, warranties, and execution and acceptance of all change orders.

Date _____ Borrower _____

By: _____